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Gilbert's bill will allow ISD school bus reimbursement

LANSING – The Senate unanimously passed a bill Thursday that will allow an Intermediate School District to be reimbursed for certain costs associated with the storage and maintenance of special education buses, said bill sponsor Sen. Jud Gilbert.

Senate Bill 866 requires the Department of Education to reimburse an Intermediate School District if the ISD contracts with a local school district to maintain and store special education buses. Currently, an ISD could only be reimbursed if it contracted with a private company.

“ISD’s were finding that during tight fiscal times they could save money by contracting with local school districts, but then were still losing money by not being reimbursed by the state,” said Gilbert, R-Algonac. “This legislation allows them to remain fiscally responsible and conduct business more efficiently. It also will create more jobs in the local school district, benefiting local families.”

Gilbert introduced the bill after learning that the St. Clair County Regional Educational Services Agency (formerly St. Clair County Intermediate School District) was trying to save money and jobs by storing its special education buses at a public school, but was actually being financially penalized for finding a cheaper alternative than using private storage facilities.

Currently, intermediate school districts that hire private companies for bus storage and maintenance are reimbursed 70-percent of their cost by the state. However, if the ISD contracts with another local district for this service, the ISD receives no reimbursement.

SB 866 now goes to the House for consideration.

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